

**GOVERNMENT OF INDIA  
MINISTRY OF MINES  
RAJYA SABHA  
UNSTARRED QUESTION NO. 1717  
ANSWERED ON 15.12.2025**

**INDIA'S GOLD RESERVES AND MINING POLICY**

**1717. SHRI JAGGESH:**

Will the Minister of MINES be pleased to state:

- (a) whether India's large gold reserves are being efficiently utilized for domestic production;
- (b) whether unmined gold reserves can significantly reduce India's dependence on gold imports in the future;
- (c) whether India's gold mining policy framework supports sustainable and transparent extraction practices;
- (d) whether gold mining could boost local employment and infrastructure in mineral-rich, underdeveloped regions;
- (e) whether environmental concerns could outweigh the economic benefits of expanding gold mining in the country; and
- (f) if so, the details thereof?

**ANSWER**

**THE MINISTER OF COAL AND MINES  
(SHRI G. KISHAN REDDY)**

(a) & (b): For efficient utilization of any mineral reserve, explored mineral blocks get auctioned. Since the amendment of the Mines and Minerals (Development and Regulation) (MMDR) Act in 2015, 12 resource bearing geological reports (G2/ G3) on gold have been handed over to States by Geological Survey of India (GSI) for auction of mining lease. Further, 45 geological memoranda (G4) on gold/ gold & associated sulphide mineral commodity have been handed over to States by GSI for auctioning as composite license. Since 2015, States have successfully auctioned 25 gold blocks, thereby reducing the country's dependence on imports.

(c): The National Mineral Policy, 2019, framed for all minerals, supports sustainable and transparent extraction. It emphasizes environmentally sustainable mining and transparent governance of mineral resources, including gold. Further, sustainable mining practices have been implemented under the Mineral Conservation and Development Rules (MCDR), 2017. Rule 35 of MCDR, 2017 provides for star rating of the mining leases based on the sustainable mining

practices adopted by the miners. The star rating system is designed to have an inbuilt compliance mechanism for environment and forest safeguards. In addition, transparency is reinforced through Rule 45 of the MCDR, 2017, which requires comprehensive monthly and annual reporting of production, dispatch, stocks and related data.

(d): The MMDR Act, 1957, under sub-section (1) of Section 9B, provides for State Governments to establish a District Mineral Foundation (DMF) in every district in the country affected by mining related operations. The Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) Guidelines 2024 mandate utilization of at least 70 percent of DMF funds in high-priority sectors including education, skill development & livelihood generation, and upto 30 percent in other priority sectors including physical infrastructure, irrigation, energy and watershed development. Till October 2025, a total of 11,088 projects on Skill Development & Livelihood Generation (₹2,607 crore) and 1,05,481 projects on Physical Infrastructure (₹30,786 crore) have been sanctioned. The above measures boost local employment and infrastructure development in mineral-rich, underdeveloped regions of the country, besides direct employment and infrastructure development due to mining activity.

(e) & (f): India's mining regulatory framework, governed by the MMDR Act, 1957, and rules framed thereunder, have provisions to mitigate environmental concerns of mining of minerals (including gold) and ensure a balance with economic gains. Rule 35 of MCDR, 2017 provides for every holder of a mining lease to take all possible precautions for undertaking sustainable mining while conducting prospecting, mining, beneficiation or metallurgical operations.

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